(b) what are the month-wise figures in respect of inflation rate and what were the factors responsible therefor; and

(c) what measures are being taken to curb the rise in inflation rate and what is the outcome thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH). (a) The annual inflation rate on a point to point basis was 7 6 per cent for the week ending December 2, 1989 and 9.7 per cent for the week ending November 3, 1990.

(b) Inflation rates for different months (based on monthly average of WPI) are given as under

Months	Annual Inflation Rate
November 1989	7 6
December 1989	7 6
January 1990	7 8
February 1990	8 3
March 1990	8 6
April 1990	9 1
May 1990	8 7
June 1990	9 5
July 1990	9 6
August	8 1
September 1990	7 5
October 1990	8 6
November 1990	10 0

The factors responsible for the price rise are fiscal imbalances resulting in high increase in money supply and thus effective demand, supply and demand imbalances in sensitive commodities due to shortfall in production and supply, the Gulf crisis necessitating imposition of gulf surcharge on domestic prices of petroleum products and disruption in transport and supply of goods due to disturbed law and order situation in recent months

(c) Government has taken measures both on demand and supply side to keep prices under control. On the demand side, the emphasis is on curbing the growth of liquidity through curbs on government expenditure, reduction in budget deficit and growth of money supply. On the supply side, measures are being taken to improve the availability of essential commodities through larger allocations for the Public Distribution System and action against hoarders and blackmarketeers has also been intensified.

Reshuffling of economic departments

19 SHRI SUKOMAL SEN:
SHRI P. K KUNJACHEN:

Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that Government propose to reshuffle economic departments like Imports-Exports and Customs and Central Excise very soon; and

(b) if so, what are the details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SHANTILAL PURUSHOTTAMDAS PATEL) (a) No such proposal is under consideration of the Government.

(b) Does not arise.

Change in the policy of restricted imports

20 SHRI SUKOMAL SEN:
SHRI DIPEN GHOSH:

Will the Minister of COMMERCE be pleased to state:

(a) whether Government have recently changed their policy of restricted imports and thereby saving scarce foreign exchange, and

(b) if so, what are the reasons for such a change?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SHANTILAL PURUSHOTTAMDAS PATEL): (a) and (b) One of the objectives of the Imports & Exports Policy is to discourage low priority imports and to

reduce the unnecessary outgo of foreign exchange. Keeping this objective in view a number of import compression measures have been taken by the Government recently to conserve limited resources of Free Foreign Exchange. These include, inter-alia, —

(i) A cut of 15 per cent has been imposed on the import entitlement, whether under OGL or against a licence, of Actual Users engaged in the manufacture of automobiles, electronic items and consumer durables

(ii) A number of items of raw materials, components and Capital Goods have been removed from OGL List in view of indigenous angle.

(iii) A closer scrutiny of Supplementary licensing applications is being made where value exceeds Rs. 2 crores. Actual users are required to surrender REP|Addl licences of value equivalent to 50 per cent of the amount in excess of Rs. 2 crores

(iv) The facility for import of items of raw materials, components, consumables and spares as well as jigs, fixtures, moulds etc, not specified in the Import Policy, under OGL, has been suspended for a period of 3 months with effect from 6th November, 1990

Revised estimated deficit during the current year

21 SHRI CHIMANBHAI MEHTA. Will the Minister of FINANCE be pleased to state.

(a) what is the revised estimated deficit of the current year,

(b) what is the latest estimate of external and internal liabilities and their proportionate ratios to GDP;

(c) what are the amounts of internal and external debts service charges;

(d) what is the percentage of burden of both the debts during the current year; and

(e) what are the measures being adopted by the Government to counteract the challenge of external debt?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH): (a) The Budget deficit of the Central Government in the Revised estimates 1990-91 will be shown in the Budget documents for 1991-92.

(b) to (d) The latest estimates available are as per Budget estimates 1990-91. The required information is given below.

(Rs in crores)

	Debt outstanding at the end of 1990-91 (BE)	Percentage to GDP (estimated)
Internal debt liabilities	272766	54·1
External debt liabilities (at book value) . .	31851	6 3
Percentage increase in the debt liabilities over 1989-90 (RE) :		
Internal debt	0 15%	
External debt . . .	0 12%	
Interest payable as per 1990-91 (BF)·		
Internal debt	19224	
External debt . .	1626	